

FISCAL IMPACT STATEMENT ON BILL NO. **H4662**

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TO:	The Honorable Robert E. "Bob" Walker, Chairperson, House Education and Public Works Committee		
FROM:	Office of State Budget, Budget and Control Board		
ANALYSTS:	Trey Kannaday		
DATE:	February 25, 2008	SBD:	2008088

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AUTHOR:	Representative Walker	PRIMARY CODE CITE:	59-18-100
SUBJECT:			

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ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES:

See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES:

See Below

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**BILL SUMMARY:**

House Bill 4662 amends the Education Accountability Act to revise the manner in which schools are assessed and accredited and to provide for designation to signify varying levels of school academic performance.

**EXPLANATION OF IMPACT:**

There is a fiscal impact associated with numerous sections of the Bill. A synopsis of the impact is summarized as follows.

Education Oversight Committee (EOC)

The EOC is required to perform several functions pursuant to Sections 59-18-320 and 59-18-900. These functions include item pool review, determining public expectations, and publication and professional development. The EOC estimates this Bill will have a fiscal impact in the amount of \$175,000 in FY 2008-2009, \$639,000 in FY 2009-2010, and \$33,000 in FY 2010-2011. All of these costs are recurring expenditures, with the exception of \$500,000 in FY 2009-2010 for the establishment of student performance levels.

State Department of Education

Sections 59-18-310(A)-(C) of the Bill requires the State Department of Education (SDE) to include the Elementary and Middle School Assessment Program (EMSAP) in the subjects of English/language arts, mathematics, science, and social studies. Although the EMSAP is to be first administered in 2010, the EMSAP field test must be embedded in the current assessments in 2008 and 2009. SDE estimates the recurring cost associated with this section to be \$1,374,211.

Section 59-18-310(E) of the Bill requires SDE to create a statewide list of formative assessments that provide diagnostic information in English/language arts and mathematics beginning in the 2008-2009 school year. The Bill further specifies that, beginning in the 2009-2010 school year, the formative assessments must provide diagnostic information at least twice during the course of the school year in English/language arts, mathematics, science, and social studies. However, the Bill does not specify in which grades the formative assessments are to apply. Therefore, it is assumed that the assessments will apply to all grades at an estimated recurring cost of \$10,450,000.

Regarding technical assistance listed in Section 59-18-1500 *et seq.*, SDE estimates there will be no fiscal impact, contingent upon the adoption of Proviso 1A.42 and deletion of Proviso 1A.60 as contained in the House Ways and Means Committee version of the FY 2008-2009 Appropriations Act.

Regarding report cards listed in Section 59-18-110 *et seq.*, SDE estimates there will be no fiscal impact.

**LOCAL GOVERNMENT IMPACT:**

None.

**SPECIAL NOTES:**

SDE requested in their FY 2008-2009 budget request \$2,275,553 for external review teams. However, this request is not directly related to the language of House Bill 4662.

<b><u>HOUSE BILL 4662</u></b>				
<b>Summary of Fiscal Impact</b>				
<u>Code Section</u>		<u>FY2008-09</u>	<u>FY 2009-10</u>	<u>FY 2010-11</u>
59-18-320	EOC-Subject Review	\$129,000	\$566,000	\$0
59-18-1560	EOC-Public Expectations, etc	\$46,000	\$48,000	\$0
59-18-900	EOC-Growth, Simulation	\$0	\$25,000	\$33,000
59-18-310	SDE-EMSAP	\$0	\$1,374,211	\$1,374,211
59-18-310	SDE-Formative Assessment	\$0	<u>\$10,450,000</u>	<u>\$10,450,000</u>
	<b>TOTAL</b>	<b>\$175,000</b>	<b>\$12,463,211</b>	<b>\$11,857,211</b>

Approved by:



Harry Bell  
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